

FEB 2 1995
STATE GOVERNMENT

HOUSE FILE 124
BY RANTS

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to contributions to political campaigns, by
2 requiring that monetary contributions which are collected by
3 third-party persons be made by affirmative acts of a person to
4 contribute and specify the amounts to be contributed, by
5 striking the minimum threshold for reporting contributions
6 received by political and candidates' committees, requiring
7 annual reports by political committees to contributors of
8 expenditures made on behalf of or in opposition to candidates,
9 and providing penalties.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 124

1 Section 1. Section 20.26, unnumbered paragraph 4, Code
2 1995, is amended to read as follows:

3 Nothing in this section shall be construed to prohibit
4 voluntary contributions by individuals to political parties or
5 candidates. However, all such voluntary monetary
6 contributions by individuals shall be made through an
7 affirmative act by the individuals to contribute and shall
8 include a specification by each individual of the amount or
9 amounts to be contributed for the political party, candidate,
10 or ballot issue.

11 Sec. 2. Section 56.6, subsection 3, paragraph b, Code
12 1995, is amended by striking the paragraph and inserting in
13 lieu thereof the following:

14 b. The name and mailing address of each person who has
15 made one or more contributions of money to the committee
16 including the proceeds from any fund-raising events, except
17 those reportable under paragraph "f".

18 Sec. 3. Section 56.6, subsection 3, paragraphs d, e, f,
19 and h, Code 1995, are amended to read as follows:

20 d. The name and mailing address of each person who has
21 made one or more in-kind contributions to the committee ~~when~~
22 ~~the aggregate market value of the in-kind contribution in a~~
23 ~~calendar year exceeds the amount specified in subsection 3,~~
24 ~~paragraph "b", of this section.~~ In-kind contributions shall
25 be designated on a separate schedule from schedules showing
26 contributions of money and shall identify the nature of the
27 contribution and provide its estimated fair market value.

28 e. Each loan to any person or committee within the
29 calendar year in an aggregate amount ~~in excess of those~~
30 ~~amounts enumerated in the schedule in paragraph "b" of this~~
31 ~~subsection,~~ together with the name and mailing address of the
32 lender and endorsers, the date and amount of each loan
33 received, and the date and amount of each loan repayment.
34 Loans received and loan repayments shall be reported on a
35 separate schedule.

1 f. The total amount of proceeds from any fund-raising
2 event. Contributions and sales at fund-raising events which
3 involve the sale of a product acquired at less than market
4 value and sold for ~~an~~ any amount of money ~~in-excess-of-the~~
5 ~~amount-specified-in-paragraph-"b"-of-this-subsection~~ shall be
6 designated separately from in-kind and monetary contributions
7 and the report shall include the name and address of the
8 donor, a description of the product, the market value of the
9 product, the sales price of the product, and the name and
10 address of the purchaser.

11 h. The amount and nature of debts and obligations owed ~~in~~
12 ~~excess-of-those-amounts-stated-in-the-schedule-in-paragraph~~
13 ~~"b"-of-this-subsection~~ by the committee. Loans made to a
14 committee and reported under paragraph "b" of this subsection
15 shall not be considered a debt or obligation under this
16 paragraph. A loan made by a committee to any person shall be
17 considered a disbursement.

18 Sec. 4. NEW SECTION. 56.7A ANNUAL REPORTS BY POLITICAL
19 COMMITTEES.

20 A political committee, other than a state statutory
21 political committee, a county statutory political committee,
22 or a national political party, shall annually file, at the
23 time specified by the board, a report detailing each
24 contribution received during the calendar year, the person
25 from whom it was received, and the name and political
26 affiliation of any candidate in support of whom or in
27 opposition to whom the political committee has made
28 expenditures. A copy of the report shall, in addition to
29 being filed with the board, be sent to each contributor
30 specified in the report.

31 Sec. 5. NEW SECTION. 91F.1 COLLECTION OF MONEY FOR
32 PURPOSES OF MAKING POLITICAL CONTRIBUTIONS.

33 A person shall not collect or receive money from another
34 person, for purposes of making contributions to a candidate's
35 committee or making independent expenditures in support of or

1 in opposition to a candidate or a ballot issue, unless the
2 monetary contribution by the latter person is made through an
3 affirmative act to contribute and the person who is making the
4 contribution specifies the amount or amounts which the person
5 is contributing for the political party, candidate, or ballot
6 issue. A violation of this section is a serious misdemeanor.

7 Sec. 6. Section 25B.2, subsection 3, shall not apply to
8 this Act.

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EXPLANATION

10 This bill makes various changes related to the making of
11 contributions to candidates, political committees, and ballot
12 issues. Sections 1 and 5 provide that when a public employee
13 organization or other person collects or receives
14 contributions from others, those contributors must have made
15 the contributions through an affirmative act which specifies
16 the amount of money to be contributed. Violations of the
17 requirements contained in section 1 are subject to a fine of
18 up to \$2,000, or, if the violation was willful, a fine of up
19 to \$1,000 or 30 days in jail or both a fine and imprisonment.
20 Violations of section 5 are subject to a fine of up to \$1,000
21 or one year in jail or both a fine and imprisonment. Sections
22 2 and 3 provide for the striking of the minimum threshold for
23 the reporting of contributions received by a candidate's or
24 political committee. Currently, contributions received which
25 are under the minimum amount need not be reported. Section 4
26 provides for the filing of an annual report by each political
27 committee with the board, and distribution of the report to
28 contributors to the political committee, of expenditures made
29 by the committee on behalf of or in opposition to particular
30 candidates. The report is to state the name and political
31 affiliation of each candidate for whom or in opposition to
32 whom an expenditure is made.

33 This bill may create a state mandate. However, this bill
34 makes inapplicable the statutory provision which would relieve
35 a political subdivision from complying with a state mandate if

1 funding for the cost of the state mandate is not provided or
2 specified.

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